

Chairman Gutierrez' Subcommittee on Financial Institutions and Consumer Credit Looks Into the Uses and Potential Misuses of Credit Scores in the Second in a Series of Hearings on Consumer Credit Information Issues and Reform Proposals

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FOR IMMEDIATE RELEASE

(Washington, DC)— Credit scores and reports are used in a variety of ways beyond simply checking if a person is a good candidate for a loan. They are used by insurance companies to predict the likelihood that a person will file an insurance claim and credit histories are now routinely checked by landlords and employers.

U.S. Representative Luis V. Gutierrez (D-IL), Chairman of the Subcommittee on Financial Institutions and Consumer Credit of the House Financial Services Committee, is holding a hearing on Wednesday looking into these "other" uses of credit scores and related information. The goal is to determine if practices in the market place are going too far and if additional legislation is needed to protect consumers.

"Most Americans probably don't know that credit scores and reports are used by insurance companies to pick their customers and are used to exclude those most likely to file a claim if they get sick, if they have an accident, or if their home is damaged," said Rep. Gutierrez, who

will chair the subcommittee hearing. "Congress needs to let the insurance companies and the employers and landlords who are using this information know that we are watching very closely and will take action if and when we find their practices are out of line."

Press Availability: Immediately following the hearing, Rep. Gutierrez will be joined by Rep. Mary Jo Kilroy (D-OH) and Rep. Steve Cohen (D-TN) to discuss their legislation to protect consumers from abuses of the use of credit information. In 2009, Rep. Cohen introduced H.R. 3149, the "Equal Employment for All Act," to restrict the use of credit reports for certain employment purposes and Rep. Kilroy introduced H.R. 3421, the "Medical Debt Relief Act of 2009," to prohibit the inclusion of medical debts that have been fully paid or settled from remaining on a consumer credit report.

WHAT:

Hearing on the "Use of Credit Information Beyond Lending: Issues and Reform Proposals"

Immediately Followed by Press Availability with:

Rep. Luis V. Gutierrez (D-IL)

Chair, Subcommittee on Financial Institutions and Consumer Credit

Rep. Steve Cohen (D-TN)

Rep. Mary Jo Kilroy (D-OH)

WHEN:

Hearing: 10:00 a.m. ET, Wednesday, May 12, 2010

Press Availability: Immediately after hearing, approximately 11:45 a.m. ET

WHERE:

2128 Rayburn House Office Building

HEARING DETAILS:

Panel I

- Hon. Michael T. McRaith, Director, Illinois Department of Insurance, on behalf of the National Association of Insurance Commissioners
- Mr. David Snyder, Vice President and Associate General Counsel, Public Policy, American Insurance Association
- Mr. John Wilson, Director, Analytics, LexisNexis Risk Solutions

Panel II

- Ms. Chi Chi Wu, Staff Attorney, National Consumer Law Center
- Mr. Mark Rukavina, Executive Director, The Access Project
- Mr. Stuart K. Pratt, President and CEO, Consumer Data Industry Association
- Ms. Anne Fortney, Partner, Hudson Cook, LLP

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